

# CRS Issue Brief for Congress

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## Drug Control: International Policy and Options

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## Drug Control: International Policy and Options

### SUMMARY

Efforts to greatly reduce the flow of illicit drugs from abroad into the United States have so far not succeeded. Moreover, over the past decade, worldwide production of illicit drugs has increased dramatically: opium and marijuana production has roughly doubled and coca production tripled.

Despite national political resolve to deal with the drug problem, inherent contradictions regularly appear between U.S. anti-drug policy and other policy goals and concerns. U.S. narcotics policy seeks reduction of the supply of illicit drugs to the United States and reduction of user demand within the United States. On the other hand, important aspects of U.S. foreign policy aim at promoting the political and economic stability of U.S. friends and allies and avoiding excessive involvement in their internal affairs.

Pursuit of anti-drug goals can sometimes effect foreign policy interests and bring political instability and economic dislocation to countries where narcotics production has become entrenched economically and socially. Drug supply interdiction programs and U.S. systems to facilitate the international movement of goods, people, and wealth are often at odds. U.S. international narcotics policy requires cooperative efforts by many nations and must operate in the context of competing foreign policy goals. A major area of ongoing concern remains: how effective can international narcotics control programs be in helping to reduce U.S. domestic drug consumption?

The mix of competing domestic and international pressures and priorities has

produced an ongoing series of disputes within and between the legislative and executive branches concerning U.S. international drug policy. Congress in the 1988 Drug Act called for a reevaluation of that policy with a view towards formulating a broader approach. The Act requires the “drug czar” to submit a national drug control strategy to the Congress by February 1st of every year. U.S. strategy includes Andean nation programs that call for economic, military, and law enforcement assistance to Colombia, Peru, and Bolivia.

“Plan Colombia,” a major and hi-cost initiative to provide emergency supplemental narcotics related funding for Colombia, is currently pending in Congress. See: HR 3908 and S. 2521 and S. 2522.

Policy options addressed in this brief include:

- Expansion of efforts to reduce foreign production at the source.
- Expansion of interdiction and enforcement activities to disrupt supply lines.
- Expansion of efforts to reduce worldwide demand.
- Expansion of economic disincentives for international drug trafficking.

For CRS products relevant to this subject, see CRS Issue Brief IB95025, *Drug Supply Control: Current Legislation*, CRS Report 97-320, *Narcotics Certification and Mexico: Questions and Answers*, and CRS Report RL30541, *Colombia: U.S. Assistance and Current Legislation*. See also: CRS Report RS20494, *Ecuador: International Narcotics Control Issues*.

## MOST RECENT DEVELOPMENTS

*On May 9, 2000, the Senate Appropriations Committee reported out S. 2522 (Foreign Operations Appropriations for FY2001) and S. 2521 (Military Construction Appropriations) both of which contain elements of Plan Colombia. Dramatic cuts in funding for State Department International Narcotics Control and Crime (INL) activity are contained in S. 2522 as well, which would cut INL funding from last year's level of \$305 million to \$220 million – a 28% appropriations cut from last year's level and well below the Administration's \$312 million current request – prompting concern over the State Department's ability maintain non-Colombia programs and to expand programs such as combating cybercrime and trafficking in women and children.*

*S. 2522 Plan Colombia funding reported out for floor action totals approximately \$ 938 million. S. 2521 funding includes \$191.5 million for military construction (including Forward Operating Locations [FOL's] ) and \$341 million for the Coast Guard. Major changes from the House approved version include: (1) providing 0 (as opposed to 28 Black Hawk helicopters) and adding 60 Huey helicopters; (2) more regional emphasis including \$120 million for alternative development and interdiction in Bolivia; (3) generally more funding for human rights and alternative development – some \$50 million more; (4) a restriction which appears to limit funding for Plan Colombia to funding appropriated under S. 2522; and (5) a restriction limiting the number of U.S. government contract employees in Colombia to 100. The latter restrictions, heralded by some as effective and necessary oversight measures, prompt concern by others over: (1) the ability of agencies such as DEA, DOD, and AID to continue existing Colombia- focused programs; and (2) the ability of entities such as the U. S. Embassy in Colombia; DEA, DOD, and INL to function effectively, as the hiring of local contractors by the U.S. government appears to be a commonplace occurrence, and often, an effective cost saving measure. A restriction that would curb herbicide use, subject to EPA certification that special congressionally mandated standards have been met, is problematic to some critics who see such standards as unattainable – hence limiting U.S. eradication programs to relatively ineffectual manual methods. For additional data on proposed aid to Colombia, see: CRS Report RL30541, Colombia: U.S. Assistance and Current Legislation. See also: CRS Report RS20494, Ecuador: International Narcotics Control Issues.*

## BACKGROUND AND ANALYSIS

### Problem

More than 11 million Americans buy illicit drugs and use them more than once per month, spending by most conservative estimates over \$50 billion — and perhaps as much as \$150 billion or more — annually in a diverse and fragmented criminal market. Such drugs are to varying degrees injurious to the health, judgment, productivity and general well-being of their users. The addictive nature of many of these drugs, their high price and their illegality play a role in more than half the street crime in the United States. The U.S. illicit drug market generates enormous profits that enable the growth of diversified international criminal organizations, extend their reach into local neighborhoods, legitimate business, and even

national governments. Such profits provide drug trafficking organizations with the resources to effectively evade and compete with law enforcement agencies, and in some instances, to challenge the authority of national governments.

Measured in dollar value, at least four-fifths of all the illicit drugs consumed in the U.S. are of foreign origin, including virtually all the cocaine and heroin. Of the marijuana consumed in the United States, 25% to 35% is domestically produced and virtually all of the hallucinogens and illegally marketed psychotherapeutic drugs and “designer” drugs are of domestic origin.

Little is known about the distribution of revenues from illicit drug sales, but foreign supply cartels exercise considerable control over wholesale distribution in the United States and illicit proceeds are often laundered and invested through foreign banks and financial institutions.

The federal anti-drug initiative has two major elements: (1) reduction of demand and (2) reduction of supply. Reduction of demand is sought through education to prevent dependence, through treatment to cure addiction and through measures to increase prices and risk of apprehension at the consumer level. Reduction of supply (which generally accounts for about 66% of the federal anti-drug control budget) is sought by programs aimed at destabilizing the operations of illicit drug cartels at all levels, and by seizing their products and assets. As most illicit drugs are imported, a major interdiction campaign is being conducted on the U.S. borders, at ports of entry, on the high seas, and along major foreign transshipment routes and at production sites. An international program of source crop eradication is also being pursued. Federal policies for the reduction of illicit supply have major international components. These are discussed below.

## **Current International Narcotics Control Policy**

The primary goal of U.S. international narcotics policy is to reduce the supply of illicit narcotics flowing into the United States. A second and supporting goal is to reduce the amount of illicit narcotics cultivated, processed, and consumed worldwide. U.S. international narcotics control policy is implemented by a multifaceted strategy that includes the following elements: (1) eradication of narcotic crops, (2) interdiction and law enforcement activities in drug producing and drug transiting countries, (3) international cooperation, (4) sanctions/economic assistance, and (5) institution development. The U.S. State Department’s Bureau of International Narcotics and Law Enforcement (INL) has the lead role coordinating U.S. international drug intervention and suppression activities.

In 1992, the Administration sought the authorization and appropriation of \$173 million for INL (formerly INM) costs and international operations for FY1993. Congress approved legislation authorizing (in H.R. 6187) and appropriating (in H.R. 5368) \$147.78 million for INM programs for FY1993 and 1994. In H.R. 6187, Congress also revised some of the guidelines governing the procedures by which the President can certify that a major drug-producing or drug-transit country is cooperating fully with the U.S. anti-drug program and is thus qualified to receive U.S. foreign aid. It also changed the terms of the reporting requirements, eliminating some items from the list of subjects that must be discussed but also requiring more information on action to combat money laundering and to prevent the

diversion of precursor chemicals (those used in the production of illicit drugs) from their legitimate commercial uses.

In 1993, the Administration requested a \$147.78 million appropriation for INM operations, as previously authorized. On May 26, the House Foreign Operations Appropriations Subcommittee recommended reducing it to \$100 million for FY1994. The House voted on it June 10, during consideration of the FY1994 Foreign Operations Appropriations Bill (H.R. 2295), and it became law September 30, 1993. For FY1995, the Administration requested \$232 million for international narcotics control programs. This amount included funding for U.S. military counter-narcotics support (formerly FMF) and for narcotics-related sustainable development (formerly ESF). The State Department's FY1996 international narcotics control request totalled \$213 million, up \$108 million from FY1995 appropriations levels. The Department's FY1997 request for international narcotics totalled \$193 million, up \$78 million from FY1996 appropriations levels of \$115 million. FY1997 appropriations totalled \$213 million. The FY1998 request totalled \$214 million, up \$21 million from FY1997 appropriations levels of \$193 million. FY1998 appropriations levels totalled \$210 million; FY1999 levels totalled \$236 million plus a \$232.6 million emergency supplemental; \$295 million was requested for FY2000, and \$312 million for FY2001 with \$305 million appropriated for FY2001 which was reduced to \$303.8 million after recisions.

## **Eradication of Narcotic Crops**

A long-standing U.S. official policy for international narcotics control strategy is to reduce cultivation and production of illicit narcotics through eradication. In 2000, the United States supported programs to eradicate coca, opium, and marijuana in 9 countries. These efforts are conducted by a number of government agencies administering several types of programs. The United States supports eradication by providing producer countries with chemical herbicides, technical assistance and specialized equipment, and spray aircraft. The U.S. Agency for International Development (AID) funds programs designed to promote economic growth and to provide alternative sources of employment for the people currently growing, producing, or processing illicit drugs. AID also provides balance of payments support (especially to the Andean countries) to help offset the loss of foreign exchange (from diminished drug exports) occurring as a result of U.S.-supported anti-drug programs. U.S. eradication policy receives informational support from the State Department's Office of Public Diplomacy and Public Affairs [formerly the U.S. Information Agency (USIA)] which publicizes the dangers of drug abuse and trafficker violence. In addition, AID sponsors drug education and awareness programs in 33 Latin American, Asian, and East European countries. Planned FY2000 funding for eradication and alternate development programs totalled approximately \$126 million. The FY 2001 request totals \$118 million — about 44 % of the State Department's FY2001 \$312 million narcotics control budget request. This \$118 million, includes \$5 million for coca eradication in Peru and approximately \$8.8 million for Bolivia.

## **Interdiction and Law Enforcement**

A second element of U.S. international narcotics control strategy is to help host governments seize illicit narcotics before they reach America's borders. Training of foreign law enforcement personnel constitutes a major part of such endeavors. The Department of

State funds anti-narcotics law enforcement training programs for foreign personnel from more than 70 countries. In addition, the Department of State provides host country anti-narcotics personnel with a wide range of equipment to perform effectively, and U.S. Drug Enforcement Administration (DEA) agents regularly assist foreign police forces in their efforts to destabilize trafficking networks. U.S. efforts to promote effective law enforcement against narcotics traffickers also include suggestions to nations on means to strengthen their legal and judicial systems.

## **International Cooperation**

On October 22, 1995, President Clinton in his U.N. address commemorating the organization's 50th anniversary, stressed the importance of international cooperation in combating organized crime and drug smuggling, which were characterized as important forces that threaten efforts to build a safer, more prosperous world. Essentially all elements of U.S. international narcotics control strategy require international cooperation. By use of diplomatic initiatives, both bilateral and multilateral, the Department of State encourages and assists nations to reduce cultivation, production, and trafficking in illicit drugs. These bilateral agreements and international conventions have thus far been largely ineffective in reversing the growth of international narcotics trafficking, in part because they lack strong enforcement mechanisms and are not uniformly interpreted by member nations.

U.S. international narcotics control strategy also requires cooperation among governments to coordinate their border operations to interdict traffickers. To this end, the U.S. government has provided technical assistance for anti-drug programs in other countries. For FY2001, the State Department's international narcotics control budget request totaled \$312 million to assist programs at least 30 countries, including \$52 million for Bolivia, \$48 million for Peru, and \$35 million for Colombia. Also requested was \$50 million for interregional aviation support, to provide aircraft for anti-drug programs in other countries. The United States also participates in multilateral assistance programs through the U.N. International Drug Control Program and actively enlists the aid and support of other governments for narcotics control projects. The U.N. currently assists 67 developing countries through development, law enforcement, education, treatment, and rehabilitation programs. For FY2001, the Administration requested \$12 million for narcotics control-related contributions to international organizations, the majority of which constitutes the U.S. voluntary contribution to the U.N. drug control program.

## **Sanctions/Economic Assistance**

A fourth element of U.S. international narcotics control strategy involves the threat of, or application of, sanctions against drug producer or trafficker nations. These range from suspension of U.S. foreign assistance to curtailment of air transportation. Current law requires the President to submit to Congress by March 1 each year a list of major illicit drug producing and transit countries that he has certified as eligible to receive U.S. foreign aid and other economic and trade benefits. This sets in motion a 30-calendar day review process in which Congress can override the President's certification and stop U.S. foreign aid from going to specific countries.

Certification may be granted because a major illicit drug producing or transit country has "cooperated fully" with U.S. narcotics reduction goals or has taken "adequate steps on its

own” to achieve full compliance with the goals and objectives established by the 1988 U.N. anti-drug trafficking convention. A country not qualifying on this basis may escape imposition of sanctions if the President certifies U.S. “vital national interests” preclude implementation of sanctions on that country. (See section on Certification Issues, below.)

U.S. sanctions policy has been augmented with programs of economic assistance to major coca producing countries (see section entitled “Use of Sanctions or Positive Incentives” and section on President Bush’s Anti-Drug Strategy). For FY2001 the State Department requested approximately \$49 million for drug related alternative development: approximately \$5 million for Colombia; \$27 million for Peru; approximately \$17 million for Bolivia and \$100,000 for Mexico.

## **Institution Development**

A fifth element of U.S. international narcotics control strategy increasingly involves institution development, i.e., strengthening judicial and law enforcement institutions and assisting in developing host nation administrative infrastructures conducive to combatting the illicit drug trade.

## **Policy Options**

### **Overview**

The primary goal of U.S. international narcotics control policy is to stem the flow of foreign drugs into the United States. A number of options have been proposed to reshape and more effectively implement U.S. international narcotics control policy. Whatever options are selected will likely require funding on a scale sufficient to affect the drug problem. It is estimated that the illicit drug industry generates between \$100 billion and \$500 billion dollars a year for criminal organizations. The Office of National Drug Policy cited the figure of \$110 billion for 1989. Policymakers face the challenge of deciding the appropriate level of funding required for the nation’s international narcotics control efforts within the context of competing budgetary priorities.

Another challenge facing the U.S. international narcotics control efforts concerns how to most effectively implement policy. Some observers argue that current U.S. policy is fragmented and overly bilateral in nature. These analysts suggest that to achieve success, policy options must be pursued within the context of a comprehensive plan with a multilateral emphasis on implementation. For example, they point out that some studies indicate that interdiction can actually increase the economic rewards to drug traffickers by raising prices for the products they sell. They agree, however, that interdiction as part of a coordinated plan, can have a strong disrupting and destabilizing effect on trafficker operations. Some analysts suggest that bilateral or unilateral U.S. policies are ill-suited for solving what is in effect a multilateral problem. They cite the need for enhancing the United Nations’ ability to deal effectively with the narcotics problem and for more international and regional cooperation and consultation on international narcotics issues. Proponents of bilateral policy do not necessarily reject a more multilateral approach. They point out, however, that such



multinational endeavors are intrinsically difficult to arrange, coordinate, and implement effectively.

Some analysts believe that current efforts to reduce the flow of illicit drugs into the United States have essentially failed and that other objectives, policies, programs, and priorities are needed. Five major options, which have been suggested, in various combinations as part of an overall effort, are set out below.

Another major congressional concern will be how to fund the new international initiative within existing budgetary constraints, and how other domestic, military, or foreign aid programs may be affected because of increased anti-drug expenditures.

### **Expansion of Efforts to Reduce Production at the Source**

This option involves expanding efforts to reduce the growth of narcotic plants and crops in foreign countries before conversion into processed drugs. Illicit crops may either be eradicated or purchased (and then destroyed). Eradication of illicit crops may be accomplished by physically uprooting the plants, or by chemical or biological control agents. Development of alternative sources of income to replace peasant income lost by nonproduction of narcotic crops may be an important element of this option.

Proponents of expanded efforts to stop the production of narcotic crops and substances at the source believe that reduction of the foreign supply of drugs available is an effective means to lower levels of drug use in the United States. They argue that reduction of the supply of cocaine — the nation's top narcotics control priority — is a realistically achievable option.

Proponents of vastly expanded supply reduction options, and specifically of herbicidal crop eradication, argue that this method is the most cost-effective and efficient means of eliminating narcotic crops. They staunchly maintain that, coupled with intensified law enforcement, such programs will succeed since it is easier to locate and destroy crops in the field than to locate subsequently processed drugs on smuggling routes or on the streets of U.S. cities. Also, because crops constitute the cheapest link in the narcotics chain, producers will devote fewer economic resources to prevent their detection than to concealing more expensive and refined forms of the product.

Opponents of expanded supply reduction policy generally question whether reduction of the foreign supply of narcotic drugs is achievable and whether it would have a meaningful impact on levels of illicit drug use in the United States. They suggest that even if the supply of foreign drugs destined for the U.S. market could be dramatically reduced, U.S. consumers would simply switch to consumption of synthetic drug substitutes. Thus, they maintain, the ultimate solution to the U.S. drug problem is reduction of demand at the source and not reduction of supply at the source.

Some also fear that environmental damage will result from herbicides. As an alternative, they urge development, research, and funding of programs designed to develop and employ biological control agents such as coca-destroying insects and fungi that do not harm other plants.

Others question whether a global policy of simultaneous crop control is politically feasible since many areas in the world will always be beyond U.S. control and influence. Such critics refer to continuously shifting sources of supply, or the so-called “balloon syndrome”: when squeezed in one place, it pops up in another. Nevertheless, many point out that the number of large suitable growth areas is finite, and by focusing simultaneously at major production areas, substantial reductions can be achieved if adequate funding is provided.

Some also question the value of supply reduction measures since world production and supply of illicit drugs vastly exceeds world demand, making it unlikely that the supply surplus could be reduced sufficiently to affect on the ready availability of illicit narcotics in the U.S. market. Such analysts also suggest that even if worldwide supply were reduced dramatically, the effects would be felt primarily in other nation’s drug markets. The U.S. market, they argue, would be the last to experience supply shortfalls, because U.S. consumers pay higher prices and because U.S. dollars are a preferred narco-currency.

**Political and Economic Tradeoffs.** Many suggest that expanded and effective efforts to reduce production of illicit narcotics at the source will be met by active and violent opposition from a combination of trafficker, political and economic groups. In some nations, such as Colombia, traffickers have achieved a status comparable to “a state within a state.” In others, allegations of drug-related corruption have focused on high-level officials in the military and federal police, as well as heads of state. In addition, some traffickers have aligned themselves with terrorist and insurgent groups, and have reportedly funded political candidates and parties, pro-narcotic peasant workers and trade union groups, and high visibility popular public works projects to cultivate public support through a “Robin Hood” image. Because many groups that benefit economically from coca are so well armed, if the United States were successful in urging foreign governments to institute widespread use of chemical/biological control agents, cooperating host governments could well face strong domestic political challenge and violent opposition from trafficking groups. Heavy military protection, at a minimum, would be required for those spraying or otherwise eradicating. It is possible that U.S. officials, businessmen and real assets might not be immune to terrorist-style attacks by traffickers worldwide.

For some countries, production of illicit narcotics and the narcotics trade has become an economic way of life that provides a subsistence level of income to large numbers of people from whom those who rule draw their legitimacy. “Successful” crop reduction campaigns seek to displace such income and those workers engaged in its production. In this regard, these campaigns may threaten real economic and political dangers for the governments of nations with marginal economic growth. Consequently, many analysts argue that the governments of such low-income countries cannot be expected to launch major crop reduction programs without the substitute income to sustain those whose income depends on drug production.

**Use of Sanctions or Positive Incentives.** Those promoting expansion of efforts to reduce production at the source face the challenge of instituting programs that effectively reduce production of narcotic crops and production of refined narcotics without creating unmanageable economic and political crises for target countries. A major area of concern of such policymakers is to achieve an effective balance between the “carrot” and the “stick” approach in U.S. relations with major illicit narcotics producing and transit countries.

Proponents of a sanctions policy linking foreign aid and trade benefits to U.S. international narcotics objectives argue against “business as usual” with countries that permit illicit drug trafficking, production, or laundering of drug profits. They assert that this policy includes a moral dimension and that drug production and trafficking is wrong, and that the United States should not associate with countries involved in it. Such analysts maintain that U.S. aid and trade sanctions can provide the needed leverage for nations to reduce production of illicit crops and their involvement in other drug related activities. They argue that both the moral stigma of being branded as uncooperative and the threat of economic sanctions prod many otherwise uncooperative nations into action. They further stress that trade sanctions would be likely to provide highly effective lever as most developing countries depend on access to U.S. markets.

Opponents of a sanctions policy linking aid and trade to U.S. international narcotics objectives argue that sanctions may have an undesirable effect on the political and economic stability of target countries, making them all the more dependent on the drug trade for income; that sanctions have little impact because many countries are not dependant on U.S. aid; that sanctions historically have little effect unless they are multilaterally imposed; and that sanctions are arbitrary in nature, hurt national pride in the foreign country, and are seen in many countries as an ugly manifestation of “Yankee imperialism.” Finally, an increasing number of analysts suggest that if sanctions are to be fully effective, they should be used in conjunction with additional positive incentives (subject perhaps to a congressional certification/approval process) to foster anti-drug cooperation.

Alternatively, some suggest positive incentives instead of sanctions. They believe that narcotics producing countries must be motivated either to refrain from growing illicit crops, or to permit the purchase or destruction of these crops by government authorities. Many argue that since short term economic stability of nations supplying illegal drugs may depend upon the production and sale of illicit narcotics, it is unrealistic to expect such nations to meaningfully limit their drug-related activities without an alternative source of income. The House Appropriations Committee report on the 1993 foreign operations appropriations bill suggested that when it comes to narcotics related economic development “there is too little emphasis in either actual funding or policy.”

It has been suggested by some analysts that a massive foreign aid effort — a so-called “mini-Marshall Plan” — is the only feasible method of persuading developing nations to curb their production of narcotic crops. Such a plan would involve a multilateral effort with participation of the United States, Europe, Japan, Australia, other industrialized nations susceptible to the drug problem, and the rich oil producing nations. The thrust of such a plan would be to promote economic development, replacing illicit cash crops with other marketable alternatives. Within the framework of such a plan, crops could be purchased or else destroyed by herbicidal spraying or biological control agents while substitute crops and markets are developed and assured. Any such program would be coupled with rigid domestic law enforcement and penalties for non-compliance. Thus, it would require a U.S. commitment of substantially increased enforcement assets to be used against both growers and traffickers, and some observers assert it might require direct U.S. military involvement at the request of the host country.

Critics find much to be concerned about in these positive incentive concepts. They warn of the precedent of appearing to pay “protection” compensation — i.e., providing an incentive

for economically disadvantaged countries to go into the drug export business. They also warn of the open-ended cost of agricultural development programs and of extraterritorial police intervention. Finding markets for viable alternative crops is yet another major constraint.

### **Expansion of Interdiction and Enforcement Activities to Disrupt Supply Lines/Expanding the Role of the Military**

Drug supply line interdiction is both a foreign and domestic issue. Many argue that the United States should intensify law enforcement activities designed to disrupt the transit of illicit narcotics as early in the production/transit chain as possible — well before the drugs reach the streets of the United States. This task is conceded to be very difficult because the United States is the world's greatest trading nation with vast volumes of imports daily flowing in through hundreds of sea, air, and land entry facilities and its systems have been designed to facilitate human and materials exchange. This has led some analysts to suggest that the military should assume a more active role in anti-drug activities.

Congress, in the late 1980s and prior to appropriations for FY1994, had urged an expanded role for the military in the "war on drugs." The idea of using the military is not novel. Outside the United States, military personnel have been involved in training and transporting foreign anti-narcotics personnel since 1983. Periodically, there have also been calls for multilateral military strikes against trafficking operations, as well as increased use of U.S. elite forces in preemptive strikes against drug fields and trafficker enclaves overseas.

The military's role in narcotics interdiction was expanded by the FY1990-1991 National Defense Authorization Act. The conference report (H.Rept. 100-989) concluded that the Department of Defense (DOD) can and should play a major role in narcotics interdiction. Congress, in FY1989 and FY1990-1991 authorization acts, required DOD to promptly provide civilian law enforcement agencies with relevant drug related intelligence; charged the President to direct that command, control, communications, and intelligence networks dedicated to drug control be integrated by DOD into an effective network; restricted direct participation by military personnel in civilian law enforcement activities to those authorized by law; permitted the military to transport civilian law enforcement personnel outside U.S. land area; expanded the National Guard's role in drug interdiction activities; and authorized additional \$300 million for DOD and National Guard drug interdiction activities.

The Administration's FY1997 DOD drug budget request totalled \$814.1 million, which was more or less equivalent to FY1996 estimated budget authority of \$814.3 million. FY1998 appropriations totalled \$808.58 million the FY1999 appropriations totalled \$775.6 million. The FY2000 request was for \$788.1 million.

Despite the military's obvious ability to support drug law enforcement organizations, questions remain as to the overall effectiveness of a major military role in narcotics interdiction. Proponents of substantially increasing the military's role in supporting civilian law enforcement narcotics interdiction activity argue that narcotics trafficking poses a national security threat to the United States; that only the military is equipped and has the resources to counter powerful trafficking organizations; and that counter drug support provides the military with beneficial, realistic training.

In contrast, opponents argue that drug interdiction is a law enforcement mission, it is not a military mission; that drug enforcement is an unconventional war which the military is ill-equipped to fight; that a drug enforcement role detracts from readiness; that a drug enforcement role exposes the military to corruption; that it is unwise public policy to require the U.S. military to operate against U.S. citizens; and that the use of the military may have serious political and diplomatic repercussions overseas. Moreover, some in the military remain concerned about an expanded role, seeing themselves as possible scapegoats for policies that have failed, or are likely to fail.

### **Expansion of Efforts to Reduce Worldwide Demand**

Another commonly proposed option is to increase policy emphasis on development and implementation of programs worldwide that aim at increasing public intolerance for illicit drug use. Such programs, through information, technical assistance, and training in prevention and treatment, would emphasize the health dangers of drug use, as well as the danger to regional and national stability. The State Department's Office of Public Diplomacy and Public Affairs and AID currently support modest efforts in this area. Some believe these programs should be increased and call for a more active role for the United Nations and other international agencies in development and implementation of such demand reduction programs.

### **Expansion of Economic Disincentives for Illicit Drug Trafficking**

Proponents of this option say that the major factor in the international drug market is not the product, but the profit. Thus, they stress, international efforts to reduce the flow of drugs into the United States must identify means to seize and otherwise reduce assets and profits generated by the drug trade.

Policymakers pursuing this option must decide whether laws in countries where they exert influence are too lenient on financial institutions, such as banks and brokerage houses, which knowingly facilitate financial transactions of traffickers. If the answer is "yes," national leaders would then take concerted action to enact harsher criminal sanctions penalizing the movement of money generated by drug sales, including revocation of licenses of institutions regularly engaging in such practices. Finally, those supporting this option favor increased efforts to secure greater international cooperation on financial investigations related to money laundering of narcotics profits, including negotiation of mutual legal assistance treaties (MLATs).

## **Bush Administration Anti-Drug Strategy**

On September 5, 1989, in a nationally televised speech, President Bush outlined a comprehensive anti-drug program with both domestic and international components. Detailed contents of the President's proposals were submitted to Congress in the White House's September 5, 1989 National Drug Control Strategy. This strategy was fine-tuned and resubmitted to Congress in an updated form on January 25, 1990.

The President's strategy emphasized international cooperation in law enforcement, crop control, diplomacy, precursor chemical diversion, and research and development, and

introduced the concept of focusing on “high-value” individuals involved in the drug trade and shipments of drugs. (“High value” does not necessarily refer to the dollar value of shipments, or the prominence of certain traffickers in the formal power structure, but their overall importance to drug trafficking based on the damage and disruptive effect their removal from the trafficking chain might have on the introduction of drugs into the United States.) The President’s proposals also called for improved collection, analysis, and dissemination of drug-related intelligence; and improved command, control, and communications for anti-drug operations of federal, state, and local law enforcement authorities and the U.S. Armed Forces. He also proposed increases in funding for Department of Defense anti-drug operations, primarily for interdiction of drug smuggling across the southern borders of the United States and surveillance and intelligence on domestic drug crops, but no fundamental changes in the nature of the Armed Forces’ support for drug enforcement operations.

Multilateral initiatives were important aspects of the proposal that sought to enlist European Community support for measures designed to reduce source and transit country production and distribution. One such proposed measure was the creation of a joint intelligence collection center in the Caribbean basin. Seeking foreign cooperation in disrupting drug-related money laundering activities is another component of the international aspect of the President’s strategy.

An “Andean initiative,” estimated to cost about \$2.2 billion over 5 years, was a major component of President Bush’s strategy. The initiative provided enhanced law enforcement, military, and economic assistance to Bolivia, Colombia, and Peru (estimated at \$478 million for FY1993) in an attempt to dismantle drug trafficking organizations, isolate major coca growing regions, destroy labs, and block delivery of precursor chemicals. It sought to increase the level of host nation military involvement in counter narcotics operations. U.S. military involvement was to be limited to providing logistical support, equipment, and training to host nation military forces, unless direct U.S. military assistance was specifically requested. The plan did not involve any substantial increase in the scope of U.S. military involvement in anti-drug efforts in Latin America, although the level of resources and personnel was increased.

President Bush attended an Andean drug summit in Cartagena, Colombia, on February 15, 1990, where he met with the presidents of Bolivia, Colombia, and Peru. The four Presidents agreed, in the communique issued after the meeting, to cooperate and exchange information in a variety of areas, including data on precursor chemical flows and money laundering activities, and to attack the drug trade from every angle: production, distribution, finance, and use.

## **Initiatives by the Clinton Administration**

On February 7, 1994, the Clinton Administration released its National Drug Control Strategy. Both domestically and internationally, the strategy sought to downplay the drug issue as a single policy driving priority. Domestically, drug policy is seen as linked with other policy-driving goals, and is envisioned as a component element of efforts to spur economic growth, reform health care, curb youth violence, and “empower” communities. Internationally, the policy further integrated the priority of drug trade destruction with other foreign policy goals such as democracy, market-based economic growth, and human rights.

Overall, the strategy represented a shift in emphasis from international programs to domestic programs — particularly those aimed at prevention, treatment, and rehabilitation.

The strategy continued to define cocaine as the primary threat and envisioned a shift of resources from interdiction beyond U.S. borders and territorial seas towards host nation enforcement programs. The new Federal Drug Control Budget requested \$13.18 billion in budget authority for FY1995, an 8.6% increase (\$1,043.6 million) over the amount enacted in FY1994. Also, it reflected the Administration's decision to increase funding for demand reduction (prevention and treatment). The FY1995 split for supply reduction and demand reduction was 59% and 41%, respectively, as compared to a 63% and 37% split in FY1994. The FY1995 budget request sought to restore FY1994 congressional cuts for funding of international narcotics control programs. The request sought \$231.8 million for international programs, a 21.7% increase over FY1994 appropriations levels.

The Administration's FY1997 request reflected public concern over crime and drug related crime as well as concern over rising drug use by high school students; proposed overall drug spending was up by 9.3% over estimated FY1996 enacted levels. As a continuing response to concern over violent crime, the FY1997 supply/ demand reduction split was 67% to 33%, compared to 59% and 41% in FY1995.

The Administration's FY1997 request totaled \$15.1 billion. Resources for international programs, constituting 3% of the drug budget request, would have increased by 25.4% from \$320 million in FY1996 to \$401 million in FY1997. The State Department's FY1997 request for international narcotics programs totaled \$193 million, up \$78 million from FY1996 enacted levels of \$115 million. Major components of the State Department request included (1) \$116.2 million for Latin American Programs; (2) \$27.2 million for Latin American inter-regional aviation support; and (3) \$18.8 million for programs in Asia, Africa and Europe. FY1997 appropriations for State Department international narcotics control programs totaled \$213 million — \$20 million above the amount formally requested by the State Department. The Administration's overall FY1997 funding request for interdiction, which constituted 10% of the federal drug control budget, increased by 7.3% over FY1996 levels, from \$1.3 to \$1.4 billion.

On September 30, 1996, P.L. 104-208 was enacted, which included FY1997 foreign operations appropriations. It appropriated \$213 million for State Department international narcotics control programs (\$20 million of which was for anti-crime and \$193 million of which was for international narcotics); allowed narcotics assistance to Burma under specified circumstances; would withhold \$2.5 million from Mexico unless vigorous and effective counter-narcotics efforts take place; appropriated \$35.8 million to the Office of National Drug Control Policy; and appropriated \$83.8 million to support U.S. Customs air or maritime interdiction and demand reduction programs.

The Administration's FY1998 budget request proposed \$16 billion in national drug control funding, a 5.4% increase over the estimated \$15.2 billion in FY1997 budget authority. The February 25, 1997 national strategy proposed an 8.4% increase for FY 1998 over enacted FY1997 levels for international programs and a 1.8% reduction in interdiction funding. The FY1998 State Department request for international narcotics and crime totaled \$230 million (\$214 million for narcotics and \$16 million for anti-crime) — an approximate 10%-increase for international narcotics programs. For FY1998, Congress appropriated \$210

million for international narcotics control and \$20 million for crime—an approximate 8% increase over FY1997 appropriations levels for narcotics. For FY1999 Congress appropriated \$236 million for international narcotics control and \$20 million for international crime — an emergency supplemental provided another \$232.6 million for international narcotics control. FY2000 appropriations were \$273.8 million for narcotics and \$30 million for international crime control. The FY 2001 request totals \$267 million for narcotics and \$45 million for crime.

In September 21, 1999 congressional testimony, SOUTHCOM Commander, General Charles Wilhelm, stated that the United States wanted to use an airfield in Costa Rica as a base to provide increased monitoring of heavily used Eastern Pacific drug trafficking routes. The U.S. currently has Forward Operating Locations (FOL's) at Curacao and Aruba in the Netherlands Antilles, and at Manta, Ecuador. Upgrades and expanded capabilities for FOL's in the Americas are expected to require a total of \$122.5 million in military construction funding in fiscal years 2000 and 2001, according to DOD estimates.

The Administration's international strategy continues to signal an intent to shift gradually from policies that emphasize transit zone interdiction to cooperative programs with countries that demonstrate the will to combat the international narcotics trade. Although not defined in the strategy, "transit zone" may be roughly defined as that area within which U.S. interdiction forces can operate between the South American continent and the 12-mile contiguous zone offshore the United States. Implementation of the policy emphasizes programs that focus on source country institution building, particularly law enforcement and judicial institutions. Public awareness and demand reduction programs in foreign countries are given modestly enhanced emphasis.

Issues of concern to the Congress relating to the international aspects of the President's anti-drug strategy include the following:

(1) What effect will downgrading transit zone interdiction have on drug availability and "price" in the United States? Would a break in the interdiction chain, as weak as critics argue the chain may be, result in a substantial increase in trafficking activity and domestic drug availability?

(2) Will congressionally approved decreases in military and economic assistance materially aid the Andean nations in combatting drug production and trafficking? If not, what funding levels, or greater amounts of direct U.S. involvement, or other approaches, are politically, diplomatically, and operationally feasible?

(3) How does U.S. involvement in anti-drug efforts in the Andean nations affect other aspects of American foreign policy in the region, and in Latin America generally? Does a concentration on drug-related issues obscure more fundamental issues of stability, democracy, and poverty; i.e., to what degree are drugs a major cause, or result, of the internal problems of certain Latin American countries?

(4) In the case of Colombia and other nations where insurgents are heavily involved in the drug trade, how can the United States ensure that U.S. military aid and equipment is in fact used to combat drug traffickers and cartels, rather than diverted for use against domestic political opposition or used as an instrument of human rights violations? How great is the risk



that such diversions could take place, and is the degree of risk worth the possible gains to be made against drug production and trafficking?

(5) How extensive is drug-related corruption in the armed forces and police of the Andean nations? What impact might such corruption have on the effectiveness of U.S. training and assistance to these forces?

(6) Will an active role for the military in counter-narcotics support to foreign nations, result in U.S. casualties? If so, at what point, if at all, might Presidential actions fall within the scope of the War Powers Resolution; i.e., does the dispatch of military advisers to help other governments combat drug traffickers constitute the introduction of armed forces “into hostilities or into situations where imminent involvement in hostilities is clearly indicated by the circumstances”? (The War Powers Resolution requires the President to report such an introduction to Congress, and to withdraw the forces within 60 to 90 days unless authorized to remain by Congress.)

(7) Will the strategy produce better results than previous strategies in reducing illicit drug use in the United States and in supporting U.S. narcotics and other foreign policy goals overseas? Is a proper balance of resources being devoted to domestic (the demand side) vs. foreign (the supply side) components of an overall national anti-drug strategy? Are efforts to reduce the foreign supply level futile while domestic U.S. demand remains high? Are efforts to reduce domestic demand fruitless as long as foreign supplies can enter the country with relative impunity?

## Certification Issues

On February 29, 2000, President Clinton submitted to Congress his annual list of major illicit drug producing and transiting countries eligible to receive U.S. foreign aid and other economic and trade benefits. Certified as fully cooperating and deserving of U.S. assistance are Bahamas, Bolivia, Brazil, China, Colombia, Dominican Republic, Ecuador, Guatemala, Hong Kong, India, Jamaica, Laos, Mexico, Panama, Peru, Taiwan, Thailand, Venezuela, and Vietnam. The President decertified and denied assistance to Afghanistan, and Burma. Countries not fully cooperating but eligible for continued U.S. assistance because such assistance is deemed in the U.S. national interest are Cambodia, Haiti, Nigeria and Paraguay. Changes from the 1999 certification are removal of Aruba and Belize (both previously fully certified) from the list of countries subject to certification

Of the President's determinations, his determination to certify Mexico have often been the most contentious. Mexico has always been a focus of congressional attention and an important focus of U.S. foreign narcopolicy. As early as 1988, a resolution to decertify Mexico for lack of narcotics cooperation passed the Senate. On March 13, 1997, the House passed (251-175) H.J.Res. 58, which would have delayed decertification of Mexico by 90 days and blocked it entirely had the President failed to certify that Mexico had moved forward on six narcotics-cooperation related issues. In floor debate March 20, 1997, the Senate passed (94-5) the Coverdell-Feinstein amendment to H.J.Res. 58. The amendment, instead of disapproving the President's certification, would have required a report by September 1, 1997, on Mexican efforts to strengthen drug trafficking in 10 areas and U.S. efforts in three areas. This amendment was not enacted.

In November 1997, the President notified the Hill of his decision to remove Syria and Lebanon from the list of major producing or transit countries; 24 Members of Congress signed a letter calling upon President Clinton to retain Syria on the list. Earlier in the year, Members of Congress sent a letter to the Secretary of State questioning whether North Korean drug trafficking activity warranted that nation's placement on the "majors" list. Subsequently, in 1998 North Korea has been included in the State Department's annual International Narcotics Control Strategy Report [INCSR].

In his November 10, 1999 designation of countries on the drug "majors list" [list of major illicit drug producing or transit countries subject to the certification process], President Clinton removed Aruba and Belize. Added as countries or regions of concern, but not on the list, were Aruba, Belize, the entire Eastern and Southern Caribbean (including the Leeward and Windward Islands and Netherlands Antilles) and North Korea.

## Plan Colombia

On March 9, 2000, the House Appropriations Committee passed a supplemental appropriations bill allocating some \$1.4 billion for FY2000 and FY2001 emergency spending for assistance to Colombia and for other Andean counternarcotics efforts. The measure, similar to a Clinton Administration "Plan Colombia" budget request of \$954 million comes in the wake of surging drug production and guerrilla activity in Colombia and concern over "spillover" activity into neighboring countries such as Ecuador. Assistance to the Colombian Army (including 28 Blackhawk helicopters); assistance for the Colombian national police; and interdiction and alternative development assistance are important components of Administration and congressional proposals. Some observers speculate that without enhanced U.S. aid, Colombia risks disintegration into smaller autonomous political units — some controlled by guerilla groups that are heavily involved in drug trafficking and violent crime for profit activity. Other observers caution that narcotics related assistance to Colombia — at best — can produce serious reductions in illicit drug production only within a 4- to 6 year time frame and warn against enhanced U.S. involvement in a conflict where clear cut victory is elusive and to a large degree dependant on reduction of a seemingly insatiable U.S. domestic appetite for illicit drugs.

Senate proposals dealing with Plan Colombia, S. 2521 and S. 2522, are rapidly moving forward: S.2521 was laid before the Senate May 11<sup>th</sup> and floor action on S. 2522 is anticipated in the middle of the week of May 14<sup>th</sup> (see **Most Recent Developments**). For additional data on proposed aid to Colombia, see: CRS Report RL30541, *Colombia: U.S. Assistance and Current Legislation*. See also: CRS Report RS20494, *Ecuador: International Narcotics Control Issues*.

## LEGISLATION

### **H.R. 3908 (Young, C.W. Bill)**

FY2000 Emergency Supplemental Appropriations Act. Reported by Committee on Appropriations March 14, 2000; passed by House and referred to Senate Committee on

Appropriations March 30, 2000. Drug component parts incorporated into S. 2521 and S. 2522.

## FOR ADDITIONAL READING

### CRS Issue Briefs

CRS Issue Brief IB95025. *Drug Supply Control: Current Legislation*, by David Teasley.

### CRS Reports

CRS Report: RS20451, *Colombia: Fact Sheet on U.S. Assistance and Legislation*, by Nina M. Serafino.

CRS Report 98-159. *Narcotics Certification of Drug Producing and Trafficking Nations: Questions and Answers*, by Raphael Perl.

CRS Report 97-329. *Drug Certification and Mexico: Arguments For and Against Congressional Resolutions of Disapproval*, by K. Larry Storrs.

CRS Report 93-923. *International Drug Control: Recent Developments and Issues for Congress*, by Raphael F. Perl.

CRS Report RS20051. *North Korean Drug Trafficking: Allegations and Issues for Congress*, by Raphael F. Perl.

CRS Report 96-671. *International Drug Trade and its Impact on the United States*, by Raphael Perl, Jennifer Neisner, and David Teasley.

CRS Report 97-320. *Narcotics Certification and Mexico: Questions and Answers*, by Raphael Perl, Jonathan Sanford, and K. Larry Storrs.

CRS Report RL30080. *Mexico and Drug Certification in 1999: Consequences of Decertification*, by K. Larry Storrs.